1 October 1974

USIB ECONOMIC INTELLIGENCE COMMITTEE

Submission to the DCI FY-1974 Report to the President
on the Intelligence Community

1. Overview

   a. For the Economic Intelligence Committee (EIC), FY 1974 was a year of consolidation. Special emphasis was placed on informing Foreign Service Officers, Treasury attaches, and other overt field collectors of the intelligence collection requirements for the Washington economic community consisting of more than 20 USIB and non-USIB agencies. In so doing, the EIC sought -- and continues -- to assure that clandestine collection means are tasked only to the minimum essential degree.

   b. In addition, the EIC, through its subordinate units, continued its regular publication of coordinated reports on trade and aid activities of Communist countries, participated in an international maritime intelligence conference; and completed a major study (jointly with the Scientific Intelligence Committee [SIC]) of Communist countries' computer capabilities.

2. Principal Activities

   a. The Subcommittee on International Aid and Trade continued to publish its monthly Aid and Trade Activities of Communist Countries in Less Developed Areas of the Free World; an annual summary and a mid-year supplement were also published.

   b. The Joint SIC/EIC Ad Hoc Computer Working Group's major study of Communist computer capabilities constituted an important contribution to CIEPSM No. 25 -- US Policy on the Export of Computers to Communist Countries.

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   d. The Subcommittee on Electronics and Telecommunications informally reviewed substantive papers produced by its member agencies and issued monthly reports on completed projects, research in progress, and planned projects.

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e. The Subcommittee on Requirements and Coordination improved the effectiveness of the eight triannual, regional Economic Alert Lists (EALs) that are the primary vehicles for providing guidance to overt field collectors of economic intelligence. In particular, responses to a survey of 32 embassies led to the establishment of interagency, substantive review panels, which now vet the entries submitted by the community's analysts. The panels also identify the subjects considered to be of highest priority interest to US policymakers for the coming four-month period.

3. Outlook

During the course of the current fiscal year, the EIC will focus on guiding and coordinating the economic intelligence effort of the US Government so as to improve the reporting and dissemination of information on foreign economic developments of national interest. Thus, it will assist the NIO for Economics and Energy in his review and evaluation of field collectors' responses to the guidance provided them. It will establish, in coordination with the SIGINT Committee, a procedure for providing coordinated community guidance for NSA's economic collection, working closely with that agency to increase the SIGINT contribution to the economic intelligence effort. The present EIC subcommittee structure will be closely examined to assure maintenance of the best possible organization for coping with the changing intelligence needs of the second half of the 70s.

USIB GUIDED MISSILE AND ASTRONAUTICS INTELLIGENCE COMMITTEE

Submission to the DCI FY-1974 Report to the President
on the Intelligence Community

1. The principal focus of the GMAIC's efforts during FY 1974
was on the analyses of the new Soviet ICBMs and our current and
projected ability to exploit flight tests of these systems. There
has been a continued high level of test activity in Soviet tactical
defense systems developments which included anti-ship and anti-
submarine systems, and tactical SAMs. There has been a noticeable
swing in Soviet space developments toward military applications.
The level of observable missile R&D activity in China has been
remarkably low.

2. The activities of this Committee which are believed to have
contributed directly to one or more of the DCI Objectives for the
Intelligence Community for FY 1974 are:

a. Studies

(1) Evaluated the US capability to exploit current and
projected Soviet testing of their four new ICBMs. In response to a
request by the D/DCI/IC, this study examined our collection processing
and analyses capabilities to IOC and made qualitative judgments of
confidence in our estimated missile characteristics for the 1974-1975
time frame.

(2) Evaluated our prospects for determining the accuracy
of Soviet strategic ballistic missiles. This study, performed at the
request of the D/DCI/NIO for Strategic Programs, details the problem
of assessing accuracies of Soviet ICBMs. Uncertainties in accuracy
determinations through the remainder of this decade using the best
data and analytic techniques rather than absolute accuracies were
examined.

(3) Assessed the threat posed by certain Soviet high
altitude satellites against current US overhead assets. This study,
in response to a USIB request which supported NRO interests, examined
the Soviet potential to intercept data from and/or endanger our over-
head assets. (This study was completed in June but not distributed
by USIB until early July 1974 because of the requirement to obtain
SIGINT Committee coordination.)

(4) Monitored and evaluated the actions to improve
overall intelligence on Soviet anti-ship missiles on a continuing basis.

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b. Collection and Processing

(1) Examined the flexibility of [_____] to support   25X1
Soviet ICBM RV data collection. In a memorandum to the USIB, the
Committee stated its belief that the capability of [_____] to be   25X1
temporarily based away from Alaska is required. We recommended the
procurement of a transportable deployment package for aircraft and
sensor maintenance and calibration as soon as possible.

(2) Discontinuance of the [_____] collection   25X1
project was recommended to the USIB. Although the operation was
interrputed by the Middle East October 1973 conflict before data
was acquired, operational use of the STYX during the conflict
resulted in satisfying the principal requirement.

c. Inputs to Estimates

NIE 11-1-73: The Soviet Space Program
Memorandum to Holders of NIE 11-3-72: Soviet Strategic
 . Defenses
SNIE 13-8-74: Chinese Capabilities and Intentions to
Develop Nuclear Threats Against the US and USSR

3. The existing or oncoming problems of major import are:

a. ICBM accuracy determinations.

b. SLBM accuracy uncertainty determination.

c. SALT II support.

d. ASTP intelligence support.

e. [_____]   25X1

f. ICBM silo vulnerability.

g. Soviet military applications of space.

h. The mix of the SS-X-17 and SS-X-19 as replacements for
 the SS-11.

i. SS-X-16 mobility.

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1 October 1974

USIB HUMAN SOURCES COMMITTEE

Submission to the DCI FY-1974 Report to the President
on the Intelligence Community

1. This report describes the Human Sources Committee (HSC)
activities and accomplishments in FY-1974 which contributed to
progress under the DCI Objectives for the Intelligence Community.

2. Responsible Leadership for the Community. In June 1974,
the Human Sources Committee was established as a standing Committee
of the United States Intelligence Board. DCID 1/17 gave the Committee
considerably broader functions than those enjoyed by the predecessor
Committee established for a one-year trial period. Working with
both USIB and the IRAC, the new Committee is to advise and assist
the DCI in the discharge of his responsibilities for the efficient
allocation and effective use of community resources for the col-
lection of positive foreign intelligence information through human
sources. In addition, also related to the Objective of reviewing
the USIB committee structure in order to increase USIB effectiveness,
the HSC -- in coordination with the D/DCI/IC -- is to examine the
functions of the Interagency Clandestine Collection Priorities
Committee and the Interagency Defector Committee, with a view to
integrating their functions related to human sources under the
Human Sources Committee.

3. Review Responsiveness of Intelligence Activities. During
FY 74, the HSC participated in the KIQ/KEP pilot project. Data
for the baseline report included the expected contribution of
some 10 human sources collection entities.

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5. Under DCID 1/17, the new Committee has an obvious responsibility to work with the IRAC Intelligence Research and Development Council to ensure that adequate attention is given to the need for human source R&D. A HSC R&D task team is now being established (in early FY 1975).

6. Revise Intelligence Functions to Improve Performance. In order to ensure a greater human source contribution from all elements of the national foreign affairs community, the Committee is attempting to develop in early FY 75 a new approach of communicating with human source information collectors. The approach envisions a series of Community assessments of State, CIA, and DOD reporting from a particular country or against a particular problem. One end product of these assessments would be a letter sent from the DCI to the appropriate ambassador commenting on the strengths and weaknesses of reporting and suggesting realignments of resources and adjustments in taskings to alleviate identified problems. Among other things, it is hoped that such an approach will optimize the relationship between overt and clandestine collection.

7. Ensure Intelligence Enhances US Policies. The new assessment/ guidance program mentioned above is intended to help ensure the relevance of human source collection activities. In the meantime, the Committee has continued its efforts to improve existing guidance mechanisms, such as the HSC-sponsored Current Intelligence Reporting List (CIRL). The CIRL's have been reduced in size; Highlights sections have underscored the DCI's Key Intelligence Questions; and interagency panels have worked to ensure that CIRL questions are related to the formulation of foreign, military, and economic policies of the US Government.

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USIB INTELLIGENCE INFORMATION HANDLING COMMITTEE (IHC)

Submission to the DCI FY 1974 Report to the President
on the Intelligence Community

Overview

1. Information handling arrangements comprise the central nervous
system of the US intelligence effort. They are indispensable for effec-
tive warning and crisis intelligence procedures. They provide channels
to interrelate national and tactical intelligence. They support the daily
in-depth work of substantive analysts. Advancing computer and communica-
tions technologies will make possible wholly new man/machine working proce-
dures in the next few years. This is the area in which the IHC functions.

2. Assuming office as DCI on 4 September 1973, Mr. Colby gave new
impetus to the IHC's continuing task of examining the role of information
science, computerization and telecommunications in the service of "improving
the quality, scope and timeliness of the intelligence community's products"
(DCI Presidential Objective A). Mr. Colby noted in his DCI Perspectives
for Intelligence, 1975-1980 that "the analyst of the future will have to
be comfortable with electronic tools." Providing information for the
intelligence community about those tools is an IHC task.

Principal Activities

3. Organization and Management. The DCI reviewed the USIB committee
structure (DCI Presidential Objective B). In September 1973, he filled a
6-month vacancy by appointing [   ] as Acting Chairman, IHC. In
December 1973, he advised the Chairman of the President's Foreign Intelligence
Advisory Board of his intention to use the IHC to address improvement of the
Community On-Line Information System (COINS), and the impact on information
flow and analytical methodologies of on-coming overhead collection programs.
He also approved participation in IHC by the office of the Assistant Secretary
of Defense (Intelligence).

4. R&D in Information Handling and Presentation. In early 1974, Mr.
Colby appointed [   ] as Special Assistant to the DCI, with
responsibility for conducting a survey of information handling and presenta-
tion in the intelligence community, together with possible R&D in the field.
The IHC was assigned in support. This assignment has resulted in several
reports to the DCI.

5. Imagery. COMIREX and IHC are jointly conducting a survey of the
community's existing and planned automated procedures to manage Imagery
collection requirements, to create Imagery products and to transmit them to
users. Begun this past spring, this survey is to appraise the adequacy of that
planning in the light of future collection systems.

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6. <u>Computer Networking</u>. There has been a proliferation of concepts, proposals and actions to develop automated capabilities to disseminate and display collected and processed data. These systems serve legitimate needs of operating level managers but they have not been designed for compatibility in community-wide networking. Acting Chairman, IHC, in conjunction with the Intelligence Community Staff, prepared studies on this problem, and ASD(I) also has undertaken an energetic coordination program within the Department of Defense intelligence components.

7. <u>Television</u>. The IHC carried out a 4-months' test with community watch offices in the use of TV equipment for the rapid transmission of text, graphics and imagery. The test served to identify and refine user needs relative to transmission quality of these materials.

8. <u>Telecommunications</u>. IHC has made technical arrangements on behalf of the Intelligence Community Staff to set up new interagency crisis communication capabilities. These include the National Operations and Intelligence Watch Officers Net (NOIWON), which operates over secure phone lines and is now operational, as well as plans for a network to permit intelligence analyst remote conferences. This latter developmental effort, Project CONTEXT, will use secure voice circuits in conjunction with cathode ray tube (CRT) computer terminals and printers, and analysts in different locations will be able to compose, edit and confer (conference) on textual drafts in order to create a coordinated, agreed intelligence end product.

9. <u>Other Tasks</u>. These included consideration of analyst training in the use of automated techniques, preparation of a plan for updating a descriptive inventory of the community's data bases, and the reactivation of a community data standards panel.

<u>Outlook</u>

10. Most major IHC tasks have a continuing character. The activities mentioned in the foregoing paragraphs all will continue. In addition, there is need for community action to address the following subjects:

    a. Multi-level computer security in operating computerized networks.

    b. Protocols for computerized networks, i.e., those rules that allow network stations to communicate within the net and with host computers. These protocols describe the arrangements by which computers are to exchange information in their respective data bases.

    c. Community sharing of responsibilities to maintain data bases in support of intelligence production analysts.

    d. Resources implications in the development of community systems.

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Acting Chairman
IHC

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USIB SCIENTIFIC INTELLIGENCE COMMITTEE

Submission to the DCI FY-1974 Report to the Presient
on the Intelligence Community

1. Major changes:

a.   Of 21 members, alternates and officers of the Scientific
Intelligence Committee in June 1973, only 7 were in the same status
in July 1974.   Changes included appointment of Dr. Julian Nall as
Chairman, Dr. Anthony Cacioppo (FTD) as Vice Chairman, and Mr. Charles
Wilk as the first representative of the Department of Commerce, which
is participating in our new area of work in civil technology.   Other
aspects of the committee's work during FY-74 were also marked by
changes, many resulting from the hard look taken by the IC Staff the
previous year at the Committee's efforts.

b.   Work on reorganization has been under way, and is continuing
including an LOI for the Chairman from the Chairman USIB (completed
in July 1974) a new working charter for the guidance of the Committee,
and new DCID's to reflect the changes.   As JAEIC and GMAIC split off
from the SIC in 1952 and 1956, another committee is being formed which
will include three responsibilities of SIC: BW-CW, aircraft and naval
systems.   The SIC's efforts are being redirected to reflect increasing
emphasis on technologies and the name of the Committee will become the
Scientific and Technical Intelligence Committee.

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2. Accomplishments:

    a. The Committee took part in the pilot FY-74 KIQ process and
submitted suggestions for five KIQs for FY-75. An ad hoc working
group on the Military Implications of Technology Transfer was
established in June, with a target date of October 1974 for a paper
in support of the COCOM negotiations.

    b. Substantively the committee made contributions on aircraft
developments to the Memorandum to Holders of NIE 11-3-72, on the
Backfire to NIE 11-73 and to NIE 11-173 (Space).

    c. The committee participated in the closing months of the
NIS program with submissions for the General Surveys on six countries.

    d. Memoranda were disseminated on the Soyuz-11/Salyut disaster
for NASA and on the Elint tab to USIB Guidance for the SIGINT National
Reconnaissance Program, and a contribution was made to a study on the
Accuracy of Soviet Strategic Missiles for the NIO/SP. A critique of
a study on the Backfire's performance was made for DIA. An oral
report for the benefit of Intelligence Community members was given
in November in the BW-CW Subcommittee on Mid-east CW preparations.
The BW-CW Subcommittee sponsored a two-day seminar in April for
community personnel on BW-CW Intelligence activities. The Electronics
Subcommittee sponsored in May a two-week Tripartite [   ]Con-
ference on Communist electronics developments.

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1 October 1974

USIB SECURITY COMMITTEE

Submission to the DCI FY-1974 Report to the President
on the Intelligence Community

1.   During the reporting period, the Chairman proposed that the
USIB reorganize and upgrade its Security Committee, give it expanded
authorities and charge it with more responsibilities in security
policy matters than has been the case in the past.

2.   To this end a new Security Committee charter (DCID 1/11)
was drafted (USIB approved 23 August 1974). Under the terms of
this charter the Committee is supported by permanent subcommittees
for Technical Surveillance Countermeasures (replacing the USIB/TSCC),
for Special Security Compartmentation and for Computer Security.

3.   To implement the provisions of the new charter, the Chairman,
USIB, selected a senior retired FBI official with broad experience in
substantive intelligence and policy matters, provided a full-time
Executive Secretary with a strong background in security matters,
appointed the Director of Security as the CIA member of the Committee
and requested USIB Principals to provide representation on the
Committee at the supergrade or 06 military level.

4.   Actions of the Security Committee During FY-1974

(a)   The Security Committee identified a requirement for
dissemination at the confidential level of the substance of DCID 1/16,
"Security of Compartmented Computer Operations," outside the intelli-
gence community at certain USIB contractor installations and in non-
USIB Government agencies involved in the computer processing of
compartmented intelligence requirements. With the approval of the
USIB, the Security Committee published a policy paper for use by
these organizations titled, "Security of Compartmented Computer
Operations."

(b)   With the approval of the USIB, the Security Committee
prepared and published an "Ingelligence Community Policy for the
Release of Magnetic Storage Media." This policy addresses the
procedures to be followed in the release or re-use of magnetic

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media and devices, e.g., cores, drums, discs, tapes at the un-
classified level which were originally used to store, record or
manipulate classified data. This policy paper was prepared with
considerable input from the National Security Agency.

(c) The Security Committee reviewed and provided
recommendations on alternate procedures of secure transportation
of classified intelligence materials by the US Armed Forces Courier
Service. Alternate guidance was necessitated by the wind down of
the Vietnam War and corresponding decrease in military air transporta-
tion in the Far East and Southeast Asia.

(d) The Security Committee coordinated action required to
remedy a weakness discovered in certain safe containers which could
be opened by vibrations without knowledge of the combination. Working
with the manufacturer, a modification kit was developed to preclude
this type of entry. To date, emphasis has been placed on modifying
equipment overseas. The Department of State has completed modification
of one-third of the safes (including those of other departments and
agencies) located within US missions overseas. The CIA has completed
modification of approximately 80% of its overseas safes and has a
team in the field working on the remainder. In addition to the
members of the Intelligence Community, representatives of the
Department of Transportation, the US Post Office and the General
Services Administration have been briefed on the details of this
security threat and on the measures necessary to nullify it.

(e) The Security Committee, at the request of the USIB, has
initiated a Working Group to review the scope and parameters of a
proposed concept for a fast, efficient way of determining special
access authorization over a broad area of restricted intelligence.
The concept, called "Community Limited Access Intelligence Register"
(CLAIRE), was developed by the Office of Joint Computer Services
and the Office of Security/CIA at the request of the DCI. In the
belief that further development of CLAIRE should be pursued in
coordination with the Intelligence Community, the DCI tasked the
Security Committee members to brief their Board principals. The
Board subsequently requested the Security Committee to review the
validity of the CLAIRE concept against the desired goal and to
investigate the potential application.

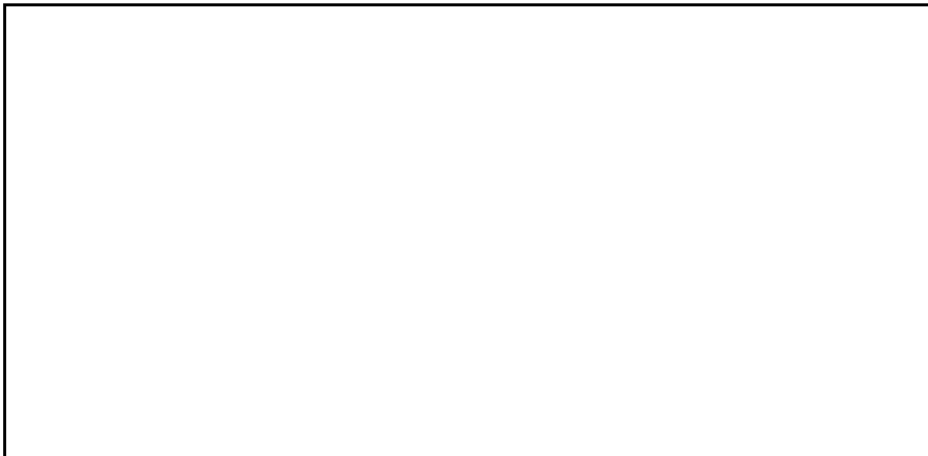**Next 3 Page(s) In Document Exempt**

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USIB TECHNICAL SURVEILLANCE COUNTERMEASURES COMMITTEE

Submission to the DCI FY-1974 Report to the President
on the Intelligence Community

    (Promulgation of the new DCID 1/11, "Security Committee,"
USIB approved 23 August 1974, eliminated the Technical Surveillance
Countermeasures Committee and made its functions a responsibility
of the Security Committee.)

    During FY-1974 the TSCC's Interagency Training Center for
audio countermeasures continued in operation with instructors
provided by CIA, Army and the Air Force. Training was provided
for 137 members of the intelligence community.

    The Committee continued its interest in the three electro-
magnetic signals directed against the US Embassy in Moscow.
While the purpose of these signals has not been identified some
changes in characteristics have been noted:

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    The TSCC continued to serve as a central repository of reports
from all members of the community related to suspected and actual
incidents of audio penetrations. One report was received from CIA
of a discovery of an audio transmitter located in a CIA residency

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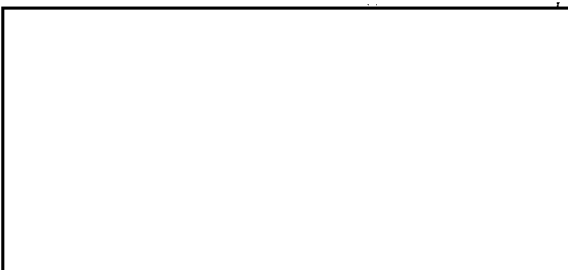
1 October 1974

USIB WATCH COMMITTEE

Submission to the DCI FY-1974 Report to the President
on the Intelligence Community

1. The Watch Committee continued to carry out its review for USIB of all indications of hostilities involving the US, its forces, and its allies. The Committee also continued efforts to come up with a forward looking judgment on each of the major situations covered in the weekly Watch Report.

2. During FY 1974 the Committee issued no warning of imminent Soviet military action against the US, its forces, or its allies, and none occurred. It could therefore be said that it carried out its main mission with total success. The Committee, however, has been more and more diverted from its main mission toward dealing with warning of impending lesser wars or tactical reporting on continuing situations. The resultant confusion over its role has weakened its performance, as is indicated by its failure to warn of the October War.

3. Moves are underway in this fiscal year to look into this problem with a view toward redefining the Committee's mission, revamping the Committee/National Indications Center mechanism and bringing up to date the warning process.

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